

**BILL #** HB 2070

**SPONSOR:** Biggs

**PREPARED BY:** Jack Brown

**TITLE:** ~~traffic complaints; notices of violation~~  
(NOW: disposition of petitions by secretary of state)

**STATUS:** As Amended by House TI

## FISCAL ANALYSIS

### Description

The Arizona Constitution establishes a minimum threshold of valid signatures in order for an initiative or referendum petition to qualify for the ballot. HB 2070 would alter the range of valid petition signatures, as projected by a 5 percent random sample that would trigger the examination and verification of all signatures by the various county recorders. Current statute (A.R.S. § 19-121.04) specifies this range as 95 to 105 percent of the constitutionally required number of valid signatures. HB 2070 would alter this range to 100 to 105 percent of the required number of valid signatures.

### Estimated Impact

HB 2070 would result in unknown General Fund savings. A savings would occur because: 1) the Secretary of State is required by law to reimburse the counties for the cost of certifying petition signatures and fewer signatures would need to be reviewed under the bill; and 2) an unknown number of petitions that fall in the 95 to 100 percent range would be automatically disqualified from the ballot, which suggests that fewer initiatives would appear on the ballot. Fewer initiatives would result in reduced costs for the Secretary of State's office, as statute requires the Secretary to reimburse the counties for the cost of printing and mailing sample ballots, including initiatives and their accompanying analyses and arguments.

### Analysis

Article IV, Part 1, Section 1, Subsections (2) and (3) of the Arizona Constitution establish the minimum number of valid signatures required in order for a petition to be placed on the ballot. This amount is a percentage based on the number of "qualified electors," which is defined as "the whole number of votes cast for all candidates for governor at the general election last preceding the filing" of the petition. The three types of petitions, along with their constitutional requirements, are as follows:

- Referendum, 5% of qualified electors – 76,682 signatures
- Initiative, 10% of qualified electors – 153,365 signatures
- Constitutional Amendment, 15% of qualified electors – 230,047 signatures

A.R.S. § 19-121.05 requires the Secretary of State's office to reimburse the counties for the cost of reviewing both the initial random sample and all of a given petition's signatures, if needed, at a rate not to exceed 50 cents per signature. Even though the per-signature fee is detailed in statute, the savings that would be realized by the Secretary of State under the bill due to a decrease in signatures reviewed is difficult to predict. This is because the number of petitions that would fall in the 95 to 100 percent range in the future is unknown. In addition, there is no statutory limit to the number of signatures the county recorder must examine if a petition falls within the percent range specified in statute.

In the 2008 election cycle, 3 petitions containing a total of 1,033,052 signatures fell within the 95 to 100 percent range and were required to undergo a review of all signatures per A.R.S. § 19-121.04. Assuming that the counties were reimbursed at the maximum allowable amount of 50 cents per signature, HB 2070 would have relieved the Secretary of State's office of \$516,500 worth of statutory obligations.

(Continued)

## **Local Government Impact**

The long-term savings to the counties depends on their current per-signature review costs. To the extent that a county currently has a per-signature review cost above 50 cents, a reduction in signatures reviewed generates long-term savings, as counties incur these expenses and are not reimbursed. In addition, counties would experience short-term savings, as they would avoid the delay of having to be reimbursed by the Secretary of State for review expenses at or below the 50 cent per-signature threshold.

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